

**ND TEACHERS FUND FOR RETIREMENT  
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2006**

	January-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net ROR	Net ROR	6/30/2005 Net	6/30/2005 Net
<b>LARGE CAP DOMESTIC EQUITY</b>																
<i>Structured Growth</i>																
LA Capital	70,288,091	4.1%	4.2%	4.37%	67,240,887	4.1%	4.2%	3.42%	67,862,477	4.3%	4.2%	5.64%	14.02%	8.17%	N/A	N/A
<b>Total Structured Growth</b>	<b>70,288,091</b>	<b>4.1%</b>	<b>4.2%</b>	<b>4.37%</b>	<b>67,240,887</b>	<b>4.1%</b>	<b>4.2%</b>	<b>3.42%</b>	<b>67,862,477</b>	<b>4.3%</b>	<b>4.2%</b>	<b>5.64%</b>	<b>14.02%</b>	<b>8.17%</b>	<b>8.30%</b>	<b>-8.29%</b>
Russell 1000 Growth				1.76%				2.98%				4.01%	8.99%	1.67%	7.25%	-10.36%
<i>Structured Value</i>																
LSV	71,517,965	4.2%	4.2%	4.72%	68,180,735	4.2%	4.2%	2.42%	67,425,742	4.2%	4.2%	4.82%	12.42%	18.24%	14.45%	14.70%
Russell 1000 Value				3.88%				1.27%				3.88%	9.28%	14.06%	11.00%	5.27%
<i>Enhanced Russell 1000 Index</i>																
LA Capital	95,102,910	5.6%	5.6%	4.54%	90,834,884	5.6%	5.6%	2.69%	91,092,260	5.7%	5.6%	6.85%	14.70%	7.39%	8.78%	N/A
Russell 1000				2.80%				2.12%				3.95%	9.13%	7.92%	9.19%	N/A
<i>Enhanced S&amp;P 500 Index</i>																
Northern Trust	92,207,971	5.4%	5.6%	2.28%	90,042,992	5.5%	5.6%	2.57%	88,811,633	5.6%	5.6%	3.81%	8.91%	6.02%	8.16%	N/A
Westridge	92,670,965	5.5%	5.6%	2.68%	90,109,298	5.5%	5.6%	2.10%	88,609,621	5.6%	5.6%	3.65%	8.65%	6.66%	8.57%	N/A
<b>Total Enhanced S&amp;P 500 Index</b>	<b>184,878,936</b>	<b>10.9%</b>	<b>11.2%</b>	<b>2.48%</b>	<b>180,152,291</b>	<b>11.1%</b>	<b>11.2%</b>	<b>2.33%</b>	<b>177,421,254</b>	<b>11.2%</b>	<b>11.2%</b>	<b>3.73%</b>	<b>8.78%</b>	<b>6.26%</b>	<b>8.87%</b>	<b>N/A</b>
S&P 500				2.65%				2.09%				3.60%	8.57%	6.32%	8.28%	N/A
<i>S&amp;P 500 Index</i>																
State Street	46,460,588	2.7%	2.8%	2.65%	45,197,551	2.8%	2.8%	2.07%	44,455,053	2.8%	2.8%	3.61%	8.56%	6.34%	8.30%	-2.34%
S&P 500				2.65%				2.09%				3.60%	8.57%	6.32%	8.28%	-2.37%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>468,248,490</b>	<b>27.6%</b>	<b>28.0%</b>	<b>3.53%</b>	<b>451,606,348</b>	<b>27.8%</b>	<b>28.0%</b>	<b>2.55%</b>	<b>448,256,787</b>	<b>28.2%</b>	<b>28.0%</b>	<b>4.78%</b>	<b>11.25%</b>	<b>8.65%</b>	<b>9.54%</b>	<b>-0.74%</b>
S&P 500				2.65%				2.09%				3.60%	8.57%	6.32%	8.28%	-2.37%
<b>SMALL CAP DOMESTIC EQUITY</b>																
<i>Manager-of-Managers</i>																
SEI	177,228,161	10.5%	10.0%	9.05%	162,496,683	10.0%	10.0%	0.97%	160,738,542	10.1%	10.0%	5.48%	16.13%	9.36%	13.65%	N/A
Russell 2000 + 200bp				9.13%				1.64%				5.21%	16.70%	11.64%	15.07%	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>177,228,161</b>	<b>10.5%</b>	<b>10.0%</b>	<b>9.05%</b>	<b>162,496,683</b>	<b>10.0%</b>	<b>10.0%</b>	<b>0.97%</b>	<b>160,738,542</b>	<b>10.1%</b>	<b>10.0%</b>	<b>5.48%</b>	<b>16.13%</b>	<b>9.36%</b>	<b>13.65%</b>	<b>5.64%</b>
Russell 2000				8.97%				1.13%				4.69%	15.37%	9.45%	12.81%	5.71%
<b>INTERNATIONAL EQUITY</b>																
<i>Large Cap - Core</i>																
State Street	32,465,367	1.9%	1.8%	6.53%	30,470,006	1.9%	1.8%	4.44%	31,022,932	2.0%	1.8%	10.65%	23.11%	7.68%	7.31%	-2.19%
MSCI EAFE (1)				6.14%				4.08%				10.36%	21.94%	9.59%	7.29%	-2.85%
<i>Large Cap - Active</i>																
Capital Guardian	97,400,171	5.7%	5.4%	4.91%	92,716,775	5.7%	5.4%	9.43%	92,848,967	5.8%	5.4%	11.82%	28.38%	11.23%	7.35%	-3.02%
LSV	95,603,222	5.6%	5.4%	5.90%	90,284,000	5.6%	5.4%	4.29%	92,394,479	5.8%	5.4%	11.55%	23.19%	N/A	N/A	N/A
Bank of Ireland	32,127,453	1.9%	1.8%	6.78%	30,113,462	1.9%	1.8%	3.28%	29,873,730	1.9%	1.8%	6.99%	17.99%	12.20%	N/A	N/A
<b>Total Large Cap - Active</b>	<b>225,130,846</b>	<b>13.3%</b>	<b>12.6%</b>	<b>5.59%</b>	<b>213,114,237</b>	<b>13.1%</b>	<b>12.6%</b>	<b>6.36%</b>	<b>215,117,176</b>	<b>13.5%</b>	<b>12.6%</b>	<b>11.02%</b>	<b>24.69%</b>	<b>13.74%</b>	<b>8.14%</b>	<b>-2.37%</b>
MSCI EAFE - 50% Hedged				4.98%				5.84%				11.07%	23.41%	14.41%	8.84%	-2.01%
<i>Small Cap - Active</i>																
Lazard	32,195,032	1.9%	1.8%	7.14%	30,024,512	1.8%	1.8%	2.89%	30,579,069	1.9%	1.8%	9.65%	20.86%	19.82%	N/A	N/A
Wellington	33,155,529	2.0%	1.8%	6.73%	31,057,641	1.9%	1.8%	5.95%	30,026,839	1.9%	1.8%	8.08%	22.22%	12.00%	N/A	N/A
<b>Total Small Cap - Active</b>	<b>65,350,561</b>	<b>3.9%</b>	<b>3.6%</b>	<b>6.93%</b>	<b>61,082,154</b>	<b>3.8%</b>	<b>3.6%</b>	<b>4.41%</b>	<b>60,605,908</b>	<b>3.8%</b>	<b>3.6%</b>	<b>8.88%</b>	<b>21.56%</b>	<b>15.90%</b>	<b>N/A</b>	<b>N/A</b>
Citigroup Broad Market Index < \$2BN				6.20%				8.94%				12.05%	29.63%	21.33%	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>322,946,774</b>	<b>19.0%</b>	<b>18.0%</b>	<b>5.95%</b>	<b>304,666,397</b>	<b>18.7%</b>	<b>18.0%</b>	<b>5.77%</b>	<b>306,746,016</b>	<b>19.3%</b>	<b>18.0%</b>	<b>10.56%</b>	<b>23.90%</b>	<b>13.12%</b>	<b>10.28%</b>	<b>-0.51%</b>
MSCI EAFE - 50% Hedged				4.98%				5.84%				11.07%	23.41%	14.41%	8.84%	-2.01%
<b>EMERGING MARKETS EQUITY</b>																
<i>Core</i>																
Capital Guardian	17,747,725	1.0%	1.7%	11.11%	15,973,631	1.0%	1.7%	9.92%	67,304,784	4.2%	3.6%	16.25%	41.99%	33.94%	22.44%	4.12%
Ishares-Index Fund (temporary)	16,093,544	0.9%	0.9%	15.32%	13,956,077	0.9%	0.9%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
JP Morgan	16,056,481	0.9%	0.9%	13.09%	14,188,646	0.9%	0.9%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
UBS	30,188,212	1.8%	1.5%	11.29%	27,103,415	1.7%	1.5%	7.63%	23,426,635	1.5%	1.4%	N/A	N/A	N/A	N/A	N/A
<b>Total Core</b>	<b>80,085,962</b>	<b>4.7%</b>	<b>4.9%</b>	<b>12.40%</b>	<b>71,221,770</b>	<b>4.4%</b>	<b>4.9%</b>	<b>8.68%</b>	<b>90,731,419</b>	<b>5.7%</b>	<b>5.0%</b>	<b>17.05%</b>	<b>42.98%</b>	<b>33.94%</b>	<b>22.44%</b>	<b>4.12%</b>
MSCI Emerging Markets				11.23%				7.20%				18.11%	40.84%	34.89%	24.42%	7.64%
<i>Small Cap</i>																
DFA	17,940,359	1.1%	1.0%	9.59%	16,360,853	1.0%	1.0%	8.16%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets				11.23%				7.20%								
<b>TOTAL EMERGING MARKETS EQUITY</b>	<b>98,026,320</b>	<b>5.8%</b>	<b>5.0%</b>	<b>11.87%</b>	<b>87,582,622</b>	<b>5.4%</b>	<b>5.0%</b>	<b>8.22%</b>	<b>90,731,419</b>	<b>5.7%</b>	<b>5.0%</b>	<b>17.05%</b>	<b>41.71%</b>	<b>33.94%</b>	<b>22.44%</b>	<b>4.12%</b>
MSCI Emerging Markets				11.23%				7.20%				18.11%	40.84%	34.89%	24.42%	7.64%
<b>DOMESTIC FIXED INCOME</b>																
<i>Core Bond</i>																
Western Asset	20,643,692	1.2%	1.2%	0.40%	20,561,588	1.3%	1.3%	0.24%	17,424,367	1.1%	1.3%	-0.48%	0.15%	7.25%	7.46%	8.91%
Lehman Aggregate				0.01%				0.59%				-0.67%	-0.08%	6.80%	5.75%	7.40%
<i>Index</i>																
Bank of ND	41,897,842	2.5%	3.0%	-0.20%	41,979,590	2.6%	3.0%	0.64%	35,825,304	2.3%	2.4%	-0.93%	-0.50%	7.23%	6.11%	7.77%
Bank of ND Match Loan CD Program		0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	9,466,484	0.6%	0.6%	1.28%	N/A	5.08%	5.33%	5.53%
<b>Total Index</b>	<b>41,897,842</b>	<b>2.5%</b>	<b>3.0%</b>	<b>-0.20%</b>	<b>41,979,590</b>	<b>2.6%</b>	<b>3.0%</b>	<b>0.83%</b>	<b>45,291,788</b>	<b>2.9%</b>	<b>3.0%</b>	<b>-0.43%</b>	<b>0.19%</b>	<b>6.91%</b>	<b>5.88%</b>	<b>7.41%</b>
Lehman Gov/Credit				-0.18%				0.60%				-0.96%	-0.55%	7.26%	6.41%	7.70%
<i>Convertibles</i>																
TCW	21,392,304	1.3%	1.2%	3.55%	20,648,355	1.3%	1.3%	1.16%	17,634,678	1.1%	1.2%	2.95%	7.83%	-0.23%	8.73%	-2.63%
Merrill Lynch All Convertibles				4.12%				0.46%				4.15%	8.94%	0.66%	9.94%	0.50%

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	January-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Month	Market Value	Allocation	Policy	Quarter	Market Value	Allocation	Policy	Quarter	Fiscal YTD	FY05	Ended	Ended
				Net ROR				Net ROR				Net ROR	Net ROR	Net ROR	6/30/2005	6/30/2005
															Net	Net
<b>BBB Average Quality</b>																
<b>Wells Capital</b>	20,487,927	1.2%	1.2%	-0.01%	20,484,348	1.3%	1.3%	0.56%	17,187,985	1.1%	1.3%	-1.65%	-1.11%	12.04%	9.22%	8.81%
Lehman BBB				-0.13%				0.39%				-0.97%	-0.72%	8.60%	9.16%	7.86%
<b>Private Debt</b>																
<b>Prudential</b>	20,566,881	1.2%	1.2%	-0.09%	20,593,142	1.3%	1.3%	0.82%	17,068,877	1.1%	1.1%	-0.27%	0.45%	N/A	N/A	N/A
Lehman Aggregate				0.01%				0.59%				-0.67%	-0.08%	N/A	N/A	N/A
<b>Timberland</b>																
RMK	18,403,528	1.1%	1.1%	5.56%	17,420,892	1.1%	1.1%	-6.09%	18,654,838	1.2%	1.2%	-0.24%	-1.10%	14.50%	12.47%	N/A
TIR	53,288,816	3.1%	3.1%	13.19%	47,067,051	2.9%	2.9%	3.19%	46,894,851	3.0%	3.0%	-0.09%	16.69%	N/A	N/A	N/A
<b>Total Timberland</b>	71,692,344	4.2%	4.2%	11.13%	64,487,943	4.0%	4.0%	0.55%	65,549,689	4.1%	4.1%	-0.13%	11.59%	44.29%	21.48%	N/A
NCREIF Timberland Index				0.00%								0.95%	13.04%	14.07%	7.31%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	196,680,990	11.6%	12.0%	4.18%	188,754,966	11.6%	12.0%	0.68%	180,157,384	11.3%	12.0%	-0.19%	4.69%	19.23%	11.83%	8.92%
Lehman Aggregate				0.01%				0.59%				-0.67%	-0.08%	6.80%	5.75%	7.40%
<b>HIGH YIELD BONDS</b>																
<b>Loomis Sayles</b>	57,612,020	3.4%	3.5%	2.25%	56,509,411	3.5%	3.5%	1.36%	53,960,876	3.4%	3.5%	1.24%	4.92%	15.96%	N/A	N/A
Lehman High Yield Cash Pay Index				1.19%				0.80%				0.99%	3.01%	10.83%	N/A	N/A
<b>Sutter/Wells Capital</b>	56,865,124	3.4%	3.5%	1.32%	56,177,621	3.5%	3.5%	1.38%	53,167,967	3.3%	3.5%	0.31%	3.03%	9.62%	N/A	N/A
Merrill Lynch High Yield Master II Index				1.19%				0.80%				0.99%	3.01%	10.63%	N/A	N/A
<b>TOTAL HIGH YIELD BONDS</b>	114,477,145	6.8%	7.0%	1.78%	112,687,032	6.9%	7.0%	1.37%	107,128,843	6.7%	7.0%	0.77%	3.98%	12.76%	13.38%	5.52%
Lehman High Yield Bond Index				1.19%				0.80%				0.99%	3.01%	10.86%	14.51%	7.47%
<b>INTERNATIONAL FIXED INCOME</b>																
<b>International Sovereign</b>																
<b>UBS Global (Brinson)</b>	37,773,122	2.2%	2.5%	1.54%	37,285,185	2.3%	2.5%	-2.54%	37,619,820	2.4%	2.5%	-1.08%	-2.12%	7.92%	11.22%	8.24%
Citigroup Non-US Gov't Bond Index (2)				1.72%				-2.61%				-1.24%	-2.16%	7.75%	10.98%	7.92%
<b>International Core</b>																
<b>Brandywine</b>	39,393,556	2.3%	2.5%	1.87%	38,833,022	2.4%	2.5%	-0.22%	38,230,563	2.4%	2.5%	0.80%	2.47%	11.78%	N/A	N/A
Lehman Global Aggregate (ex-US)				2.08%				-2.39%				-0.86%	-1.21%	8.10%	N/A	N/A
<b>TOTAL INTERNATIONAL FIXED INCOME</b>	77,166,678	4.6%	5.0%	1.71%	76,118,207	4.7%	5.0%	-1.36%	75,850,384	4.8%	5.0%	-0.15%	0.17%	9.84%	12.08%	8.74%
Citigroup Non-US Gov't Bond Index (2)				1.72%				-2.61%				-1.24%	-2.16%	7.75%	10.98%	7.92%
<b>REAL ESTATE</b>																
INVESCO	76,539,946			-0.09%	76,609,480			1.73%	75,429,387			7.19%	8.94%	22.20%	12.15%	10.44%
J.P. Morgan	83,809,250			1.20%	78,429,427			4.94%	74,740,673			6.33%	12.92%	19.52%	12.70%	10.44%
<b>TOTAL REAL ESTATE</b>	160,349,196	9.5%	9.0%	0.56%	155,038,907	9.5%	9.0%	3.33%	150,170,060	9.5%	9.0%	6.76%	10.94%	20.77%	12.39%	10.43%
NCREIF TOTAL INDEX				1.78%				5.43%				4.44%	12.07%	18.02%	12.07%	10.81%
<b>ALTERNATIVE INVESTMENTS</b>																
Brinson IVCF III	636,867			0.00%	636,867			5.25%	605,117			-4.74%	0.26%	15.66%	3.94%	8.26%
Coral Partners V	4,596,951			0.00%	4,597,264			1.43%	4,531,606			0.01%	1.44%	-18.97%	-24.36%	-22.64%
Coral Partners V - Supplemental	548,052			0.00%	548,089			-1.04%	553,759			-7.36%	-8.32%	-6.85%	-4.52%	N/A
Coral Partners VI	6,751,558			0.00%	5,497,553			2.13%	4,441,159			-1.55%	0.55%	-1.17%	N/A	N/A
Brinson 1998 Partnership Fund	1,424,253			0.00%	1,424,350			3.50%	1,375,868			3.17%	6.78%	19.64%	3.73%	-1.83%
Brinson 1999 Partnership Fund	2,395,619			0.00%	2,395,782			0.64%	2,684,436			2.44%	3.10%	9.31%	1.61%	-4.71%
Brinson 2000 Partnership Fund	5,652,970			0.00%	5,653,355			3.70%	5,477,157			6.45%	10.39%	14.97%	3.21%	-0.80%
Brinson 2001 Partnership Fund	3,796,399			0.00%	3,796,657			2.53%	3,237,697			3.91%	6.53%	4.00%	1.40%	N/A
Brinson 2002 Partnership Fund	2,092,139			0.00%	2,092,282			3.38%	2,023,538			3.47%	6.97%	-4.22%	6.13%	N/A
Brinson 2003 Partnership Fund	515,274			0.00%	515,309			5.26%	402,612			7.59%	13.25%	1.71%	N/A	N/A
Total Brinson Partnership Funds	15,876,654			0.00%	15,877,735			2.93%	15,201,308			4.56%	7.62%	9.80%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,205,931			0.00%	1,206,014			-1.05%	1,218,589			-5.55%	-6.54%	32.09%	21.85%	11.30%
Brinson 2000 Non-US Partnership Fund	1,808,892			0.00%	1,809,015			7.48%	1,682,785			-0.69%	6.74%	15.57%	13.45%	4.88%
Brinson 2001 Non-US Partnership Fund	1,602,317			0.00%	1,602,426			3.98%	1,845,259			9.11%	13.45%	9.19%	8.24%	N/A
Brinson 2002 Non-US Partnership Fund	2,768,169			0.00%	2,768,358			15.23%	2,187,730			-0.04%	15.18%	12.60%	12.07%	N/A
Brinson 2003 Non-US Partnership Fund	1,363,876			0.00%	1,363,969			12.34%	1,213,956			0.61%	13.03%	2.52%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	511,681			0.00%	511,716			9.37%	317,320			4.09%	13.84%	0.42%	N/A	N/A
Total Brinson Non-US Partnership Fund	9,260,866			0.00%	9,261,497			8.44%	8,465,638			0.99%	9.51%	15.11%	N/A	N/A
Brinson BVCF IV	8,166,547			0.00%	7,995,650			8.77%	7,349,685			10.29%	19.96%	6.06%	3.14%	-7.20%
Matlin Patterson Global Opportunities	7,440,435			0.00%	7,440,942			-1.36%	7,766,353			-8.79%	-10.03%	102.75%	N/A	N/A
Matlin Patterson Global Opportunities II	6,343,121			0.00%	6,638,944			0.00%	6,641,087			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	2,110,716			0.00%	2,110,859			0.00%	2,110,465			0.00%	0.00%	-18.88%	-13.16%	N/A
Hearthstone MSII	1			0.00%	1			0.00%	333,439			0.00%	0.00%	1214.92%	179.43%	90.03%
Hearthstone MSIII	4,366,156			0.00%	4,366,454			7.40%	6,068,486			4.53%	12.27%	16.51%	N/A	N/A
<b>TOTAL ALTERNATIVE INVESTMENTS (3)</b>	66,097,923	3.9%	5.0%	0.00%	64,971,854	4.0%	5.0%	3.63%	64,068,103	4.0%	5.0%	1.57%	5.27%	17.30%	3.06%	-3.04%
<b>CASH EQUIVALENTS</b>																
<b>Northern Trust STIF/STEP</b>	14,444,283	0.9%	1.0%	0.43%	22,455,643	1.4%	1.0%	0.85%	3,993,964	0.3%	1.0%	0.89%	2.19%	2.19%	1.82%	2.72%
90 Day T-Bill				0.32%				0.92%				0.83%	2.08%	2.15%	1.55%	2.62%
<b>TOTAL FUND</b>	1,695,665,960	100.0%	100.0%	4.39%	1,626,378,659	100.0%	100.0%	2.87%	1,587,841,502	100.0%	100.0%	5.69%	13.49%	13.36%	11.42%	3.23%
<b>POLICY TARGET BENCHMARK</b>				3.43%				2.82%				4.95%	11.61%	11.68%	10.29%	2.47%

**NOTE: Monthly returns and market values are preliminary and subject to change.**

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.